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the area significantly affected by the lessee's offshore operations.

- (j) Review of facilities with emissions below the exemption amount. If, during the review of a new, modified, or revised Exploration Plan or Development and Production Plan, the Regional Supervisor determines or an affected State submits information to the Regional Supervisor which demonstrates, in the judgment of the Regional Supervisor, that projected emissions from an otherwise exempt facility will, either individually or in combination with other facilities in the area, significantly affect the air quality of an onshore area, then the Regional Supervisor shall require the lessee to submit additional information to determine whether emission control measures are necessary. The lessee shall be given the opportunity to present information to the Regional Supervisor which demonstrates that the exempt facility is not significantly affecting the air quality of an onshore area of the State.
- (k) Emission monitoring requirements. The lessee shall monitor, in a manner approved or prescribed by the Regional Supervisor, emissions from the facility. The lessee shall submit this information monthly in a manner and form approved or prescribed by the Regional Supervisor.
- (1) Collection of meteorological data. The Regional Supervisor may require the lessee to collect, for a period of time and in a manner approved or prescribed by the Regional Supervisor, and submit meteorological data from a facility.

§550.304 Existing facilities.

- (a) Process leading to review of an existing facility. (1) An affected State may request that the Regional Supervisor supply basic emission data from existing facilities when such data are needed for the updating of the State's emission inventory. In submitting the request, the State must demonstrate that similar offshore and onshore facilities in areas under the State's jurisdiction are also included in the emission inventory.
- (2) The Regional Supervisor may require lessees of existing facilities to submit basic emission data to a State

submitting a request under paragraph (a)(1) of this section.

- (3) The State submitting a request under paragraph (a)(1) of this section may submit information from its emission inventory which indicates that emissions from existing facilities may be significantly affecting the air quality of the onshore area of the State. The lessee shall be given the opportunity to present information to the Regional Supervisor which demonstrates that the facility is not significantly affecting the air quality of the State.
- (4) The Regional Supervisor shall evaluate the information submitted under paragraph (a)(3) of this section and shall determine, based on the basic emission data, available meteorological data, and the distance of the facility or facilities from the onshore area, whether any existing facility has the potential to significantly affect the air quality of the onshore area of the State.
- (5) If the Regional Supervisor determines that no existing facility has the potential to significantly affect the air quality of the onshore area of the State submitting information under paragraph (a)(3) of this section, the Regional Supervisor shall notify the State of and explain the reasons for this finding.
- (6) If the Regional Supervisor determines that an existing facility has the potential to significantly affect the air quality of an onshore area of the State submitting information under paragraph (a)(3) of this section, the Regional Supervisor shall require the lessee to refer to the information requirements under §550.218 or §550.249 of this part and submit only that information required to make the necessary findings under paragraphs (b) through (e) of this section. The lessee shall submit this information within 120 days of the Regional Supervisor's determination or within a longer period of time at the discretion of the Regional Supervisor. The lessee shall comply with the requirements of this section as nec-
- (b) Exemption formulas. To determine whether an existing facility is exempt from further air quality review, the lessee shall use the highest annual

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total amount of emissions from the facility for each air pollutant calculated in §550.218(a) or §550.249(a) of this part and compare these emissions to the emission exemption amount "E" for each air pollutant calculated using the following formulas: $E = 3400D^{2/3}$ for CO; and E = 33.3D for TSP, SO_2 , NO_X , and VOC (where E is the emission exemption amount expressed in tons per year, and D is the distance of the facility from the closest onshore area of the State expressed in statute miles). If the amount of projected emissions is less than or equal to the emission exemption amount "E" for the air pollutant, the facility is exempt for that air pollutant from further air quality review required under paragraphs (c) through (e) of this section.

(c) Significance levels. For a facility not exempt under paragraph (b) of this section for air pollutants other than VOC, the lessee shall use an approved air quality model to determine whether projected emissions of those air pollutants from the facility result in an onshore ambient air concentration above the following significance levels:

SIGNIFICANCE LEVELS—AIR POLLUTANT CONCENTRATIONS
[µG/M³]

Air pollutant	Averaging time (hours)				
	Annual	24	8	3	1
SO ₂	1	5 5		25	
NO ₂	1		500		2,000

(d) Significance determinations.

- (1) The projected emissions of any air pollutant other than VOC from any facility which result in an onshore ambient air concentration above the significance levels determined under paragraph (c) of this section for that air pollutant shall be deemed to significantly affect the air quality of the onshore area for that air pollutant.
- (2) The projected emissions of VOC from any facility which is not exempt under paragraph (b) of this section for that air pollutant shall be deemed to significantly affect the air quality of the onshore area for VOC.
- (e) Controls required. (1) The projected emissions of any air pollutant which significantly affect the air quality of an onshore area shall be reduced through the application of BACT.
- (2) The lessee shall submit a compliance schedule for the application of BACT. If it is necessary to cease operations to allow for the installation of emission controls, the lessee may apply for a suspension of operations under the provisions of 30 CFR 250.174.
- (f) Review of facilities with emissions below the exemption amount. If, during the review of the information required under paragraph (a)(6) of this section,
- the Regional Supervisor determines or an affected State submits information to the Regional Supervisor which demonstrates, in the judgment of the Regional Supervisor, that projected emissions from an otherwise exempt facility will, either individually or in combination with other facilities in the area, significantly affect the air quality of an onshore area, then the Regional Supervisor shall require the lessee to submit additional information to determine whether control measures are necessary. The lessee shall be given the opportunity to present information to the Regional Supervisor which demonstrates that the exempt facility is not significantly affecting the air quality of an onshore area of the State.
- (g) Emission monitoring requirements. The lessee shall monitor, in a manner approved or prescribed by the Regional Supervisor, emissions from the facility following the installation of emission controls. The lessee shall submit this information monthly in a manner and form approved or prescribed by the Regional Supervisor.
- (h) Collection of meteorological data. The Regional Supervisor may require the lessee to collect, for a period of

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time and in a manner approved or prescribed by the Regional Supervisor, and submit meteorological data from a facility.

Subparts D-I [Reserved]

Subpart J—Pipelines and Pipeline Rights-of-Way

§ 550.1011 Bond requirements for pipeline right-of-way holders.

- (a) When you apply for, or are the holder of, a right-of-way, you must:
- (1) Provide and maintain a \$300,000 bond (in addition to the bond coverage required in 30 CFR part 256 and 30 CFR part 556) that guarantees compliance with all the terms and conditions of the rights-of-way you hold in an OCS area; and
- (2) Provide additional security if the Regional Director determines that a bond in excess of \$300,000 is needed.
- (b) For the purpose of this paragraph, there are three areas:
- (1) The Gulf of Mexico and the area offshore the Atlantic Coast;
- (2) The areas offshore the Pacific Coast States of California, Oregon, Washington, and Hawaii; and

- (3) The area offshore the Coast of Alaska.
- (c) If, as the result of a default, the surety on a right-of-way grant bond makes payment to the Government of any indebtedness under a grant secured by the bond, the face amount of such bond and the surety's liability shall be reduced by the amount of such payment.
- (d) After a default, a new bond in the amount of \$300,000 shall be posted within 6 months or such shorter period as the Regional Supervisor may direct. Failure to post a new bond shall be grounds for forfeiture of all grants covered by the defaulted bond.

Subpart K—Oil and Gas Production Requirements.

WELL TESTS AND SURVEYS

§550.1153 When must I conduct a static bottomhole pressure survey?

(a) You must conduct a static bottomhole pressure survey under the following conditions:

If you have	Then you must conduct
(1) A new producing reservoir,	A static bottomhole pressure survey within 90 days after the date of first continuous production.
(2) A reservoir with three or more producing completions,	Annual static bottomhole pressure surveys in a sufficient number of key wells to establish an average reservoir pressure. The Regional Supervisor may require that bottomhole pressure surveys be performed on specific wells.

- (b) Your bottomhole pressure survey must meet the following requirements:
- (1) You must shut-in the well for a minimum period of 4 hours to ensure stabilized conditions; and
- (2) The bottomhole pressure survey must consist of a pressure measurement at mid-perforation, and pressure measurements and gradient information for at least four gradient stops coming out of the hole.
- (c) You must submit to the Regional Supervisor the results of all static bottomhole pressure surveys on Form BOEM-140, Bottomhole Pressure Survey Report, within 60 days after the date of the survey.
- (d) The Regional Supervisor may grant a departure from the require-

ment to run a static bottomhole pressure survey. To request a departure, you must submit a justification, along with Form BOEM-140, Bottomhole Pressure Survey Report, showing a calculated bottomhole pressure or any measured data.

CLASSIFYING RESERVOIRS

§ 550.1154 How do I determine if my reservoir is sensitive?

- (a) You must determine whether each reservoir is sensitive. You must classify the reservoir as sensitive if:
- (1) Under initial conditions it is an oil reservoir with an associated gas cap: